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ABSTRACT

Sixty New Mexico school district superintendents responded to a survey regarding reduction of personnel and educational programs, impacts of decline on quality of education, and desirability of alteration of the funding formula to recognize impacts of declining enrollments. Three groups of districts emerged: those where reduction had occurred (32); those expecting reduction in the next several years (15); and those not expecting reduction (13). Not only were small districts affected by decline, but some larger ones as well. While teacher reduction was most likely at the secondary level, reduction in instructional aides was more likely at the elementary level. Sixteen superintendents felt that reduction should be addressed in the funding formula, 13 said it should not, and 27 favored continued study of the situation (4 did not respond to the question). Superintendents did not target any particular program for real or anticipated reduction, rather they chose several areas, particularly fine arts, enrichment courses, extracurricular activities, and interscholastic sports. Since some superintendents felt their districts' quality of education had improved in the past few years, program modification and reduction forced by decline can bring opportunities to school districts. (BRR)

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Declining Enrollment:

IMPLICATIONS FOR PUBLIC EDUCATION IN NEW MEXICO

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DEPARTMENT OF EDUCATIONAL ADMINISTRATION
UNIVERSITY OF NEW MEXICO

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DECLINING ENROLLMENT:

IMPLICATIONS FOR PUBLIC EDUCATION

IN NEW MEXICO

Report of a Survey of
New Mexico Superintendents Regarding
the Impact of Declining Enrollment

July 1982

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PREFACE

The study of impacts of declining enrollment on school districts in New Mexico described in this research report was undertaken during the fall of 1981 by the author and graduate students studying public school finance. Appreciation is extended to the sixty superintendents participating in this research. The ideas generated by the New Mexico superintendents are supplemented in this report by observations and conclusions of other practitioners and researchers across the nation. It is hoped that the strategies presented will assist local school boards and administrators and officials in various state agencies in the development of policy to confront demands of decline in the future.

The involvement and support of the Public School Finance Division, as well as the Department of Educational Administration, College of Education and University of New Mexico Research Allocations Committee, are greatly appreciated. The analysis of data collected and development of recommendations are those of the author, who welcomes comments on this report and further discussion of issues and strategies.

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DECLINING ENROLLMENT: IMPLICATIONS FOR PUBLIC EDUCATION IN NEW MEXICO

Introduction

The problems and challenges thrust upon public school educators by declining enrollment have been well-documented -- the crisis of decline has confronted many school boards, teachers, administrators, and communities during the past decade. While extreme demands have been placed upon educators and the public to mitigate effects of decline, concomitant problems with community relations, program planning and school finance remain to be solved during the 1980s.

From 1970 when elementary enrollment across the nation peaked at 36,677,000[1] until 1981 when the bottom was reached at 30,800,000, many school districts were shocked as the massive growth of the 1960s suddenly turned to rapid decline. Somewhat more prepared for enrollment decline at the secondary level, with enrollment reaching a maximum of 15,600,000 nationwide in 1976, school officials nevertheless had to face demands for staff reduction, curtailment of supply budgets, and closure of schools. Although all states have experienced decline in enrollments, the distribution of enrollment changes has been "far from equal among all school districts within the states", with greatest decline occurring in the very largest and smallest districts throughout the country (Odden and Vincent, 1976, p. 8,19).

Similarly, problems of enrollment decline confront many school districts in New Mexico. Despite an overall growth of population in

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[1] Enrollments reported by National Institute of Education in Declining enrollments: the challenge of the coming decade (1978,p.49).

the state, the school age population has decreased and is expected to continue to decline into the late 1980's. Overall statewide decline was projected to be 1.9 percent, declining to 4,884.11 full time equivalent (FTE) students from the 1980-81 to the 1981-82 school year (Wood, 1981, p. 2). The impact of declining enrollment upon many districts, particularly small rural districts, is more apparent when one examines the projected decline in specific districts, such as Wagon Mound (19.9%), San Jon (18.1%), Floyd (15.3%) and Roy (13.7%). The total average daily membership (ADM) of these four districts ranged from 113.5 in Roy to 189.75 in Wagon Mound during 1980-81. Not all small districts of the state are affected to this degree, as is illustrated by the minimal decline (0.8%) projected in Maxwell (125.5 ADM) and the growth projected in Lake Arthur (0.14%; 175.75 ADM), Mosquero (1.83%;82 ADM), and Logan (6.81%; 238.75 ADM). Moreover, not only are small districts affected by decline, but also are districts with large student enrollments including Albuquerque and Grants with projected declines of 3.32 percent and 8.82 percent, respectively.

Pressures associated with declining enrollment reach far beyond the classroom, confronting school boards and communities with problems never before faced. Internal and external pressures as diverse as shrinking supply budgets for classrooms and the loss of community enthusiasm demand response from school officials. The complex matrix of pressures categorized by Mazzoni and Mueller(1980) includes (1) fiscal stress eminating from mounting expenditures, inflated costs and competition

for scarce resources; (2) enlarged service demands, resulting from legislative and judicial actions which have expanded services for previously underserved populations and extended rights to employees and clients; (3) uncertain community support, deriving from altered societal expectations for education and from increased tax burdens to pay for reduced services; (4) school control controversies, involving federal and state agencies, teachers associations and citizens; and (5) defeatist attitudes, germinating from job vulnerability, diminished advancement opportunities, and shrinking resources.

The importance of preparing for potential impacts of declining enrollment early in decline is noted by Fowler (1980):

> Administrators who survive declining enrollments are the ones who recognize that the problem exists, and build their programs and plans to meet the problem (p.5,emphasis added).

Other writers echo the need for advance planning and creative leadership to cope with the demands of declining enrollments: "Being ready for a staff reduction - if or when it becomes necessary in your school system - should be a high priority item on every school board agenda" (Bender, 1980, p. 38). "How to deal with communities and teacher unions, sort out complex legal questions, plan for the new use or disposal of buildings, reduce budgets, and rethink educational priorities are all necessary skills for the school leader of the 1980's" (Bakalis,1981, p.10-11). "Whereas educators have typically tended to react to problems, they must now begin to anticipate the effects of declining enrollment. Educators will need to develop corrective programs long

before problems reach crisis proportions" (Gay, et al., 1981, p. 657).

Along with the problems and challenges of declining enrollment come opportunities for school personnel and community leaders to address the critical underlying "ills" of public education. Opportunities are present to redefine and reorder goals and priorities for the schools, to improve management practices, and to diversify educational programs. Moreover, potential use of school facilities to provide services for other clients, and the improvement of the effectiveness of personnel through well-designed in-service programs to assist staff in delivery of services to an altered clientele, may lead to more effective use of staff and facilities while improving relations with the community.

Survey of New Mexico Superintendents

The focus of the study reported in this document is the management of declining enrollment in New Mexico public schools. School district superintendents of the state were surveyed regarding reduction of personnel and educational programs, impacts of decline on quality of education, and the desirability of an alteration of the funding formula to recognize impacts of declining enrollments.

Under the direction of the author of this report, graduate students designed and sent a fifteen item questionnaire (see Appendix A) to seventy-eight of the eighty-nine superintendents of New Mexico school districts. Superintendents of districts reported to anticipate decline or a minimal increase in ADM in 1981-82 (Wood, 1981, p.2) received a copy of the questionnaire. A total of sixty superintendents responded, representing a seventy-seven percent return rate.

To assess the degree to which each district had been or expected to be impacted by declining enrollments, each superintendent was asked whether or not the district had "experienced a reduction in the number of personnel due to declining enrollment in the district." For purposes of analysis, three groups of districts were identified: (1) those responding that reduction in personnel had occurred; (2) those indicating that reduction is expected in the next several years; and (3) those reporting that reduction in personnel is not expected. A chi square test of significance was employed to determine if there is a similarity, or difference, among the three groups in responses to the other items of the questionnaire. For simplicity of reporting, only extreme differences among the groups are discussed in this report.

Declining Enrollment: Issues and Strategies

Responses of the superintendents participating in this study are discussed in this report in concert with the findings and conclusions of several other recent studies of declining enrollment throughout the nation. The strategies identified in this section, although not directly applicable to all school districts in the state, should prove helpful to school personnel, board members and community leaders as they continue to develop policy to confront decline. Beyond implications for local district decision making, several references are made to implications which are relevant for state level policy making, including a discussion of state funding mechanisms related to declining enrollment.

Reduction in Personnel. Thirty-two districts--just over half of those responding--had experienced a reduction in personnel due to declining enrollment.[2] Fifteen additional districts expect to reduce personnel in

the next several years, while thirteen of those surveyed indicated no expectation of personnel reduction in the future. While many of these districts will satisfy demands for reduction through natural attrition or curtailment of other expenditures,or by taking advantage of the opportunity to reduce the pupil-teacher ratio (PTR)[3] rather than to reduce numbers of faculty members, it is likely that reduction in force (RIF) will be a necessary component of an overall plan for confronting enrollment decline.

Reductions of classroom teachers and instructional aides in the New Mexico school districts surveyed are indicated in Table 1. Nearly fifty percent of those responding report that teacher reductions are most likely at the secondary level, while somewhat fewer of the districts anticipate reduction at the elementary (30%) and middle (37%) school levels. In contrast, it appears that reductions in numbers of instructional aides in response to declining enrollment are more likely at the elementary (43%) than at the middle (28%) or secondary (30%) school levels. Interestingly, special classroom teachers, administrators, counselors and non-certified staff have not been subject to reduction in force actions.

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[2]This reported reduction in personnel appears to contradict the reduction anticipated for 1981-82; only nineteen of the sixty-five districts projecting a decline in enrollment also indicated a reduction in personnel during the 1981 budget hearings (see Wood, 1981, pp. 9-11).

[3]PTR has declined at all grade levels in New Mexico as reported by Wood (1981, p. 6):

Grade level	1978-79	1980-81	1981-82(budgeted)
1-3	20.1:1	19.2:1	18.9:1
4-6	21.1:1	20.0:1	19.7:1
7-12	21.1:1	20.1:1	19.1:1

One limitation of the data presented in Table 1 is that the severity of reduction in personnel (i.e., actual number or percent of staff reduced) is not apparent in responses from superintendents. Reduction in a particular category in a specific district may indeed be quite severe, yet would appear in Table 1 to be of equal consequence to a decision in another district to reduce only one staff member. Readers are thus cautioned in interpretation of these data, which present only the number of superintendents who reported reduction had occurred or is likely to occur at each grade level, rather than the actual number of staff reduced.

Table 1. Reduction of Personnel

Staff	Elementary		Middle or Junior High		Secondary	
	Number*	%	Number*	%	Number*	%
Teachers						
Classroom	18	30%	22	37%	28	47%
Special(art,music phys. ed., etc.)	8	13	6	10	10	17
Instructional Support						
Principal/Asst.Prin.	8	13	6	10	7	12
Counselor	10	17	4	7	7	12
Instructional aides	26	43	17	28	18	30
Noncertified (secretary,custodial, etc.)	9	15	7	12	10	17

*Indicates the number of superintendents (N=60) who responded that reduction had occurred, or is likely to occur, in personnel at each level in the next three years.

Superintendents of several of the thirteen districts who had previously indicated that no personnel reduction is expected in the next several years, responded to this question by indicating that several aides and/or counselors would be let go. This contradiction may indicate that other forces (e.g., reduction in federal funding of Title I programs) are affecting personnel decisions beyond the limited impact of declining enrollments in those districts.

One indicator of the degree to which school boards and administrators are prepared for demands of declining enrollment is the presence of policy for reduction in force (RIF). Thirty of the sixty New Mexico districts responding to the survey indicated the presence of policy, while twenty-four others are in the process of formulating RIF policy. Interestingly, eleven of those in the process of developing policy had indicated that the district had already undergone reduction of personnel. As expected, very few of the districts which do not expect to reduce numbers of teachers in the future have a RIF policy developed. The difference between responses of these districts, and those which have already experienced reduction, is significant when a Chi-square test is applied ($\alpha < .01$); that is, districts which have undergone reduction are more likely to have a RIF policy in place than districts which do not expect reduction to occur.

The development of RIF policy is imperative in districts which are facing declining enrollment to any degree: "Not to be prepared for this unpleasant task easily can result in a backlash of litigation as well as high and bitter emotion from employees and the public--prospects that no

board relishes" (Bender, 1980, p. 38). In developing RIF policy, boards of education should at a minimum address criteria for determining which teachers are to be retained and which ones are to be let go, and procedural due process rights of personnel under the RIF policy. Fowler (1980) lists three criteria (seniority, particular talents of each teacher and basic needs of the school), then warns against the inclusion of only seniority in a RIF policy: "Superintendents and boards of education who bargain away the latter two factors to the point of accepting only seniority are inviting destruction and are placing their administrators and schools in untenable positions" (p.4). Bender (p.38) suggests other criteria, including professional certification, academic qualifications, tenure, teaching performance and student performance.

Essential in RIF policy are the procedural due process rights of personnel, including written notice of the reduction in force, a statement of reasons for staff reduction, and an opportunity for a hearing before the board. Procedures for non-renewal of teachers for cause have been outlined by the State Board of Education (see regulation 75-10); reduction in force due to declining enrollment has been determined to be sufficient cause (see McEuen and Noland memorandum, "Planning and policy development for reduction in force", 1981). A check list developed by Noland (1981) should prove useful to boards, administrators, and teachers as policy on reduction in force is formulated.

A disadvantage of implementing many RIF policies is that seniority works at cross purposes with affirmative action programs for women and minorities, and thus results in an older,more expensive and more conservative school staff each year (Divoky, 1979, p. 89). Thus, rather than

following due process under RIF policy, Thomas, the Superintendent of Schools in Salt Lake City, urges termination of ineffective teachers: "We've taken a basic position that we will not terminate for declining enrollment; however, we will terminate more aggressively for cause, and we have had the full cooperation of the teachers' association in doing that" (see interview in "Ways of dealing with declining enrollment", 1978, p. 23).

In addition to outlining criteria for reduction and due process rights, Bender (1980) urges inclusion in RIF policies the (1) conditions under which teachers may be assigned to positions within the same school, to other schools in the system, or to other academic departments for which they are qualified, and (2) provisions for recall-to-employment, stipulating the nature and duration of the employer-employee relationship following reduction in force.

When asked what methods have been, or might be used, to reduce numbers of teachers, New Mexico superintendents responded overwhelmingly (90%) that natural attrition of persons leaving the system for retirement or other reasons would be preferable to other methods (see Table 2). Termination of non-tenured teachers (identified by 70 percent of those responding), layoff on the basis of teaching performance (47%), and layoff of teachers on a seniority basis (32%) appear to be likely actions for school districts needing to reduce personnel. Very few superintendents identified incentives for early retirement, while no district appears to be encouraging sabbaticals or leaves of absence as methods to ease the stress. Several "other" options were identified by superintendents,

including layoff of personnel according to district RIF policy, cutting of staff in concert with programmatic needs, and retention of personnel on the basis of certification endorsements.

Table 2. Methods for Reduction in Force

Strategy	Number Responding*	Percent Responding
Natural attrition	54	90%
Incentives for early retirement	2	3
Termination of non-tenured teachers	42	70
Layoff based on seniority, including tenured faculty	19	32
Layoff based upon performance	28	47
Sabbatical or leave of absence	0	0
Other	7	12

*Superintendents(N=60) were asked to respond to as many strategies as had been, or would be likely to be implemented.

Other recent studies of declining enrollments direct attention to strategies for relieving the pressures of reduction in force. Recognizing that the "reduced opportunity for injecting new blood into the teaching enterprise could be the most alarming consequence of declining enrollments", the National Association of State Boards of Education cites the necessity of "systematic procedures" for rejuvenating the spirit of and renewing the instructional methods used by teachers (The imperative of leadership, 1976, pp. 8-9). Relic (1980) urges "pumping up staff skills" through inservice

opportunities with resource people within the school, community, state agencies, universities, and professional associations; involving teachers in needs assessment, course development, inservice instruction, and program evaluation; and providing adequate funding and time for inservice activities (p.10). Thomas reports the retraining of secondary teachers for elementary positions, encouraging "very heavily" early retirement, and assisting law enforcement and welfare agencies to begin training programs for adults to create positions for unassigned teachers (see interview in "Ways of dealing with enrollment decline", p. 1978, p. 23). The effectiveness of leaves of absence is noted by Fowler: "Minnesota has considered allowing up to five years leave of absence without jeopardizing seniority or pension plans with an option to return. According to NIE there is less than a 40 percent chance that teachers will return after such a leave" (1980, p.5). He also suggests the use of a substitute teacher corps,particularly in large districts, to make use of the talents of unassigned teachers in difficult assignments or for lengthy leaves (p.4).

New Mexico superintendents were asked whether assistance for retraining teachers had been or would be provided during a period of declining enrollment (see Table 3). The most often selected response was to counsel teachers regarding possible options (75%), followed by the provision of inservice training to enable teachers to become more effective in less familiar subject areas (28%) and the use of release time or leaves of absence to obtain formal retraining (22%).

Table 3. Assistance for Retraining Teachers

Assistance provided	Number responding*	Percent responding
Counsel and advise of options or subject areas needing teachers	45	75%
Inservice training	17	28
Release time or leave of absence to obtain college credit	13	22
Pay tuition for courses leading to multiple certification	2	3
Paid sabbatical	2	3
Other	10	17

*Superintendents (N=60) were asked to respond to as many strategies as had been, or would be likely to be provided.

It appears that fewer than one third of the districts which are faced with enrollment decline are directly assisting teachers to retrain for possible changes in work assignments. In contrast to the many ideas presented by other writers in the above discussion, districts in this state appear to be placing the burden upon the teacher to obtain retraining. Several superintendents commented that very little, if anything, can be done to provide retraining; another observed that release time and sabbaticals had in fact been eliminated in response to budget cuts.

Superintendents were surveyed regarding the assistance provided to teachers who were terminated due to declining enrollment; ninety percent of the respondents indicated they would give

assistance in locating teaching positions in other districts. Nineteen (32%) of the superintendents would attempt to place teachers as permanent substitutes, and eight (13%) would assist teacher in finding non-teaching positions in the community. Professional advancement appears limited, as only two respondents indicated the use of displaced teachers as subject matter specialists, while none would advocate the movement of teachers into administrative positions.

Maintaining Program Quality. Perhaps the greatest challenge facing school boards, administrators and teachers is to maintain the quality of educational programs while confronting the multiple demands of declining enrollments. Decisions to reallocate funds and staff among schools and programs, reducing further programs suffering the most from decline to maintain and strengthen other educational offerings, are difficult decisions indeed. New Mexico superintendents were surveyed regarding perceptions of "quality" education in their districts, and the degree to which specific programs and the general quality of offerings have been affected by declining enrollments.

It appears that scores on standardized achievement tests are perceived to be the "best" determinant of quality education in school districts of the state (see Table 4). In addition, over one-third of the superintendents indicated that the number of specialized programs offered in the schools, types of jobs secured by graduates, percent of students entering college, training of faculty, or pupil-teacher ratio are important indicators of quality education. Only twelve percent of the respondents chose the length of teaching experience to be among the

best determinants of quality. Other determinants specified by at least one superintendent include the number of graduates who were employed, percent of graduates who completed college or other post-secondary education, student attendance in school, teachers' attitudes toward students and the school program, and community attitudes toward the schools.

Table 4. Determinants of Quality Education

Indicator	Number Responding*	Percent Responding
Scores on standardized achievement tests	45	75%
Specialized programs in addition to state mandated curricula	26	43
Types of jobs obtained by graduates	24	40
Percent of graduates entering college	22	37
Training of faculty (degrees held)	21	35
Pupil-teacher ratio	21	35
Length of tenure of faculty (total years in teaching)	7	12
Other	9	15

*Superintendents (N=60) were asked to choose three "best" determinants of quality education in their school district.

When asked to identify those program areas which have been or might be reduced due to declining enrollment, superintendents did not gravitate toward any specific response (see Table 5). Rather, they chose several

areas, particularly fine arts, enrichment courses, extracurricular activities and interscholastic sports, which seem to be targets for reduction. Adult basic or continuing education programs had been reduced by three districts, all of which had already experienced reduction in personnel. Although the reduction of mainstreaming of special education students was chosen by superintendents of two districts which anticipate reduction in the future, no district which has already faced personnel reduction indicated curtailment in this program area.

Table 5. Reduction of Program Offerings

Program Area	Number Responding*	Percent Responding
Fine arts (e.g., art, music)	17	28%
Enrichment courses	13	22
Extracurricular activities	13	22
Interscholastic sports	12	20
Nonacademic/vocational	8	13
Adult basic/continuing education	3	5
Mainstreaming of special education	2	3
Other	18	30

*Superintendents (N=60) were asked to identify as many program areas as had been reduced or might be curtailed in the next three years due to declining enrollment.

Seven of the superintendents indicated a reduction of regular curriculum or basic courses as an "other" category; it is anticipated that many more would have selected this area if it had been listed in the questionnaire. The reduction of teacher aides, listed as a program area to be cut back by five superintendents, is indicative of cutting back of educational services in elementary schools due in part to declining enrollments.

The perceived importance of standardized achievement test scores in determining quality education (see Table 4) is reflected in the reduction of "non-essential" program areas (fine arts, enrichment, extra-curricular activities and sports) indicated in Table 5. In addition, the concern expressed for "specialized program" and "types of jobs obtained" in determining quality parallels the low percentage of districts which have or might reduce nonacademic or vocational courses. As indicated in Table 5, no single program area has borne the weight of reduction; it appears that the entire school program, including "regular" academic offerings, has been reduced to cope with fewer students and financial resources.

The relationship between declining enrollment and the perceived quality of education in those school districts responding to the survey is indicated in Table 6. Overall, fifty (87%) of the fifty-seven respondents indicated that the quality of education in their school district had improved somewhat or substantially during the past several years. Only seven (12%) of the respondents felt the quality had remained about the same.

Table 6. Improvement in Quality of Education

Quality of education has	Response from districts which Have reduced	Expect to reduce	Do not expect to reduce	Total Response Number (N=57)	Percent
Improved substantially	13	5	1	19	33%
Improved somewhat	14	7	10	31	54
Remained about the same	3	3	1	7	12
Deteriorated	0	0	0	0	0

Note: Statistical significance was found when responses of superintendents of districts which have reduced personnel were compared with those which do not expect to reduce (corrected chi square of .0746; $\alpha<.10$).

It is obvious that many factors other than declining enrollment have impacted the quality of education in schools throughout the country in the past few years. Nevertheless, responses from superintendents in those districts which have reduced personnel, which expect to reduce staff, and which do not anticipate personnel reduction due to declining enrollment reveal an interesting phenomenon. Superintendents of those districts which have reduced personnel reported a substantial improvement of quality more frequently than did those of districts which have not yet or do not expect to reduce personnel. In fact, the difference between responses of the "have reduced" and "do not expect to reduce" groups is statistically significant (as noted), indicating that the differences between these groups is not due to chance; rather, it appears that

districts which have undergone reduction do indeed perceive a substantial improvement of quality as compared with those districts which do not expect reduction.

Specific effects of declining enrollment on school characteristics are presented in Table 7 as reported by superintendents. In general, it appears that student and teacher performance have improved somewhat or remained about the same, while the pupil-teacher ratio and space utilization have been enhanced, in many cases considerably. Of particular interest in comparison to the perceived determinants of quality,it appears that program offerings (closely aligned with "scores" and"programs" reported to be important indicators of quality) have deteriorated somewhat or remained about the same in the face of declining enrollment.

Table 7. Effects of Declining Enrollment
(% of Superintendents responding)

Characteristic	Enhanced considerably	Enhanced somewhat	No change	Deteriorated somewhat	Deteriorated considerably	No response
Student performance	5%	32%	37%	3%	0%	23%
Teacher performance	5	30	37	3	0	25
Pupil-teacher ratio	17	40	15	5	0	23
Space utilization	12	35	23	5	0	25
Program offerings	2	13	27	30	2	27
Other (student-teacher morale specified	0	0	0	0	3	97

If the quality of education has indeed improved substantially in many of the districts which have already reduced personnel (see Table 6), insights into sources of improvement are apparent in responses indicated in Table 7. While both pupil-teacher ratio and space utilization have improved, neither student and teacher performance nor program offerings appears to have improved as dramatically over the past several years. One might conclude that smaller classes and fewer students occupying available facilities are perceived by superintendents as being more closely related to quality of education than are performance indicators or breadth of program offerings. This conclusion contradicts the perception of superintendents that scores and program offerings are better determinants of quality than is pupil-teacher ratio (see Table 4).

An indication of the needs of districts confronting enrollment decline is evident in responses of superintendents when asked what primary need would be addressed if additional revenue were made available to offset the impact of declining enrollment. The majority of the forty-five responses focused on program and curricular offerings with direct implications for personnel needs. Concern was expressed for maintaining a "good, sound, well-rounded" educational program including non-core curriculum (specifically art and music, humanities, and media centers) which is often threatened by a reduction in funding. The expansion of current offerings is desired, as evident in comments "to discontinue combination classes" and to retain personnel "necessary to insure a small PTR yet keep all the different subject areas". Several respondents would use additional funds to upgrade teaching supplies, equipment and media materials.

Specific needs of elementary schools were communicated by superintendents who would allocate funds for teachers, instructional materials, and support personnel (including guidance counselors) at that level. Priorities at the secondary level were strengthening vocational-technical programs, meeting needs indicated by the job market, maintaining enrichment and college preparation courses for classes of small sizes, and continuing to offer "alternative" courses and programs for secondary students. One superintendent commented that additional funds would be allocated to special education classes where "cost currently exceeds funding".

Personnel issues to be addressed by increased funding if available include improving salaries of both certified and noncertified staff to maintain competitive salary levels, meeting any contractual obligations which might have been made before an unanticipated decline occurred, and funding in-service training of teachers and staff members to meet demands of decline.

Several superintendents indicated a preference for the use of funds for facilities, primarily to meet the rising costs of maintaining older school buildings. One respondent urged the funding of year-round school programs, arguing that quality (including test scores) would "improve immensely" without the traditional three month lapse. Another superintendent argued for building up a cash reserve since there is "no way to justify additional staff or programs while enrollment declines".

This listing of reported priorities for the use of any additional funds is indicative of the wide diversity of needs created in school

districts when enrollment and revenue decline. The difficulty of specifying the single most important use of funds for all districts of the state is clear; the improvement of educational quality in one district may be highly dependent upon the upgrading of teachers' salaries, while conditioned upon the maintenance of facilities in another district. Essential in the development of plans for confronting decline is the assessment and ordering of priorities by all involved in the educational process. Relic (1980) urges school districts to define quality in terms of what the school board and teachers, as well as community members, desire. The process of identifying critical elements of quality, he suggests, can be accomplished in "one long, well-advertised board meeting" in which all interested groups have an opportunity "to speak their minds" (p. 9).

Strategies for Reduction. Specific strategies which were reported by New Mexico superintendents to be helpful in easing the pressures of declining enrollment cluster around fiscal, personnel, program, and facility issues. Each of the ninety-five strategies offered by superintendents have implications for better utilization of fiscal resources, yet several suggestions indicate a specific concern for "doing more with fewer dollars". Cutting back on spending through better fiscal constraints, eliminating waste, and reducing the purchasing of excess supplies and materials is necessary, yet will not totally compensate for lost revenue due to declining enrollment. Clearly, the major problem with declining enrollment is that costs

cannot be reduced as rapidly as the loss of students mandates, due to such fixed costs as administrative overhead, utilities, and operations and maintenance. Districts thus find themselves turning to more drastic measures to reduce expenditures.

Personnel reduction is looked to as a strategy to cut expenditures because of the high cost of salaries and fringe benefits, and the reduced need for teaching and support staff to serve fewer students. As discussed previously, reduction in force policies have been or are being developed in the majority of New Mexico school districts to preclude the likelihood of litigation in the event of reduction due to declining enrollment. Beyond the reduction of numbers of teachers, several superintendents identified the reduction of support staff, including administrators, secretaries, and teachers' aides as actions to be taken to reduce expenditures commensurate with enrollment decline. In addition, suggestions were made for the utilization of teaching principals, paraprofessionals and part time nonteaching personnel (nurse, librarian,etc.). Many superintendents included recommendations for the improved utilization of staff, focusing on the "versatility" of teachers who obtain multiple certification and the transfer of teachers to schools and subject areas where they are most needed.

Closely tied to personnel suggestions, the improvement of program offerings in the face of declining enrollment is reflected in strategies offered by superintendents. Many of those surveyed support "making programmatic decisions to strengthen the overall program" through

assessment of basic and elective course offerings, curriculum expansion in needed areas, and adjustment of programs to meet community educational needs. On the other hand, the necessity for reducing program offerings is clear in suggestions to minimize the "frills", eliminate nonrequired courses, avoid duplication of offerings, offer courses on an alternate year basis, and reduce expenditures for extra-curricular activities. The desire to retain numbers of students is reflected in one suggestion to develop alternative programs to hold potential dropouts and to attract back those who had left school.

Consolidation of classes, grade levels and facilities is suggested as a strategy to reduce costs while maintaining program offerings. Such strategies as combining classes and consolidating schools, especially at the elementary level, within the district are offered more frequently by superintendents than are possible inter-district remedies (e.g., sharing services, cooperative purchasing, joint offerings and consolidation of high schools or districts). Nevertheless, when surveyed regarding state provision of financial incentives to encourage districts to cooperate and share services (e.g., film library and personnel for specialized subject areas), a majority of the superintendents agreed (32%) or strongly agreed (38%) that the state should provide financial incentives. No superintendent disagreed with the provision of financial incentives; however, ten (17%) were neutral in their feelings and eight (13%) did not respond to this item. One superintendent commented that the state might provide mobile classrooms to rotate among rural districts to provide special subjects (e.g., music and woodshop) on a nine-week basis.

Several strategies suggested by New Mexico district superintendents point to the need for planning to confront demands of declining enrollment. The establishment of a "long-range planning committee", the increased involvement of staff in making budget priority decisions, and the development of better tools for districts to use to assess needs and evaluate program offerings were identified as possible remedies. The rebellion of small districts against increased state control during such crises was apparent in suggestions for solving "our own problems", "proving we can do the job without big brother stepping in", and forming a coalition of small school boards to lobby the legislature. The need for staff and community awareness of declining enrollment was expressed by superintendents who desired to communicate both the critical nature of the demands imposed, and the "favorable effects" of decline on district performance.

Recent studies of declining enrollment throughout the nation provide additional insights into strategies which might be considered in the development of policy. Similar to the breadth of suggestions offered by New Mexico superintendents, the following strategies range from redefining program directions to consolidating school districts.

The reduction of elective courses, yet a concurrent shift to vocational subjects, was expressed by respondents to a national survey of 96 schools by the Association for Supervision and Curriculum Development (ASCD) as reported by Gay, et al (1981). Science and math courses beyond those required for graduation, as well as fine arts and foreign languages, were found to be the "first elements to be slashed from the curriculum

in times of financial hardship." Gay, et al. caution against the "homogenization" of instructional programs around the "basics" due to constrictions of district abilities to accommodate individual differences and to offer high quality educational opportunities. Rather than yield to absolute efficiency requirements, they urge consumer satisfaction through permitting some degree of choice. Moreover, the study revealed that "inflation, unemployment and fiscal insecurity are prompting schools to take a more material and pragmatic direction," explaining why enrollments in vocational education courses are increasing. Gay notes, "There has been a definite shift nationwide from the 'human relations and academic skills' of the late 1960s and early 1970s to the current preoccupation with vocationalism, job seeking, and minimum competence". It appears from the responses of superintendents in this study that New Mexico is not an exception to this trend.

The use of educational technology to make education more individualized and more efficient has received increased attention during the era of declining enrollments. Relic (1980) urges the reallocation of a portion of existing program money for the purchase of minicomputers and other equipment to make learning more individualized, enabling fewer teachers to assist students in a wider range of subject areas. Gay, et al. (1981) suggest taking advantage of advances in educational technology to serve students' needs for curricular options, rather than dropping offerings as teachers are let go. Videotapes made in another district, or by the State Department of Education, "can then be used by schools with small enrollments as a relatively inexpensive substitute for a certified teacher."

In a recent report of demands of decline facing single high school districts which do not have the flexibility present in larger districts, Bussard and Green (1981) identify strategies to be implemented (1) within the school system, which may alter how programs are delivered, but which use existing resources already available within the district; (2) in cooperation with other school districts, which may involve sharing programs, staff, students or facilities, or indeed may include consolidating school districts; and (3) utilizing educational and community institutions outside the school system, which may alter the traditional concepts of high school student and teachers by forging new alliances with colleges and community organizations and broadening the clientele of the high school (p. 13).

The possibility of combining classes in specialized subject areas, or consolidating secondary schools does not exist in very small school districts of the state which may have small numbers of secondary students in one school building. Flexibility in staffing, program offerings and facility utilization is nearly non-existent in many cases. As observed in The imperative of leadership, declining enrollments may force many ". . . rural districts, which have resisted consolidation for the past two or three decades, to test their values of fiscal prudence against their values of independence or local control" (p.9-10).

The need for maintaining a quality educational program in the face of declining enrollment and staff reduction may be the catalyst necessary for convincing the school board and community that the consolidation of programs, schools and even districts is the most prudent policy to follow. Fowler (1980) points out that the continued

maintenance of costly programs and facilities in turn diminishes available resources for personnel compensation and other instructional needs, leading to lower morale and productivity. The quality of remaining programs and services may be improved substantially, as is discussed by Thomas:

> At the same time that we have been closing schools we have introduced programs for gifted students, subsidiary services for students not on grade level, and additional counseling services. . . . If we can demonstrate that the closure of schools directly improves the quality of education, then all the political hassles can be dealt with. . . . Improving the quality of education is a good trade-off for the consolidation of schools. ("Ways of dealing with enrollment decline", 1978, p. 24, emphasis added).

The involvement of parents and community power groups is urged by Fowler (1980) to generate acceptance and support. "Deciding on the criteria for selecting schools to be closed makes the final decisions much easier to digest. The wider the involvement and the greater the input from parents, the more likely it is that the final decision will be accepted" (p. 3). Examining the findings of a 1976 National School Boards Association research project, Declining Enrollment, Fisher and Shaw (1979) conclude: ". . . the resistance to a school closing is of rather short duration and is not likely to have a permanent negative impact on the school district. . . . Superintendents who have experienced the school closing process apparently believe it is a reasonable approach to the problem of declining enrollment" (p. 17).

In total, the many strategies offered by New Mexico superintendents and by other researchers and administrators provide a variety of suggestions

for future policy development. Needless to say, the many avenues open to educators and communities demand concerted planning efforts to identify appropriate strategies for coping with decline and improving educational offerings in the future.

Recognition of Declining Enrollment in the School Funding Formula

It is apparent from the extent of pupil decline experienced by many districts of the state, and from the reported difficulty of reducing expenditures (particularly fixed costs) while enrollments decline, that assistance is needed for many districts to cope with the initial impact of a reduction of funds due to reduced pupil count. The necessity for modification of the funding formula, however, is not agreed upon by superintendents of the state. Sixteen (27%) of those superintendents responding to the questionnaire, including two in districts which do not anticipate reduction of personnel, agreed that "this is a serious issue which should definitely be addressed in the formula". In contrast, a total of thirteen (22%), including seven which have already experiended personnel reduction, indicated that "the formula should not address declining enrollment". The remaining twenty-seven (45%) of those responding to this item favored continued study of "possible alterations to the formula" and implementation "if such funding is warranted". Four (6.7%) superintendents did not respond to this question.

Similar disagreement was observed among the forty-three suggestions made by superintendents for the form in which a factor might be applied to provide recognition of the impact of declining enrollment. Several

superintendents felt the problem had been taken care of with the 1981 legislative alteration[4] of school size adjustment, which provided additional funding to districts with high schools between 67 and 400 pupils in average daily membership. Others who recognized the additional cost burdens brought by decline in small, rural districts, encouraged the continued modification of size adjustment[5] formulas as appropriate. Little need was seen by one superintendent for a factor to be applied to all districts, particularly those over 300 ADM which "should be able to cut back on staff easily without detriment to their course offerings". Another observed that if adequate precautions are exercised, declining enrollment should not be a problem, barring "real emergencies" such as major economic loss to a community. As expressed by one respondent, some modification is needed against "possible shock of a large percentage drop in enrollment with severe attendant fiscal strain".

Increased funding is urged by many superintendents to meet the critical needs of isolated schools and districts. They argued the importance of maintaining and enriching educational programs, assisting schools in the development of curricula, and encouraging the creation

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[4]The effect of the 1981 size adjustment change is noted by Wood (1981): "The majority of declining enrollment districts with substantial increases in personnel are supplementing program deficiencies through the changes in the Senior High Size Adjustment calculation" (p.6); and "Benefited school districts overwhelmingly stated that the availability of budget for supplies, materials and equipment was substantially increased" (p. 13). Specific programmatic impacts are noted on pp. 15-16 of Issues and answers.

[5]For further discussion of size adjustment in New Mexico school finance, see Swift (1981).

of alternative educational courses and schools, particularly if distance precludes sharing resources with other districts. Several other superintendents urged the legislature or State Board of Education to define a "minimum basic educational program" and a "necessary school". Once accomplished, the state should assure that no necessary school would fall below the minimum program level. Another superintendent urged the state to consider changes in the minimum educational standards and certification requirements for schools with less than 200 ADM.

A formula factor to cushion or delay the impact of reduction in funding was suggested by twenty-five percent of the superintendents responding to this item. While many suggested a one-year postponement of negative financial impact, others suggested a "staggering" of funds reduction to enable districts to adjust to the new conditions over time. Several superintendents urged a percentage reduction of funds to cushion the effect (e.g., by counting only 35% of the loss of ADM). Only one superintendent urged softening the impact of decline by averaging ADM over a specified number of years.

Many of the respondents recognized the difficulty of reducing fixed costs in times of enrollment decline, urging the adoption of a formula or factor to compensate districts for costs of utilities, facility maintenance, and equipment purchases and maintenance as is currently the case with transportation. One other superintendent desired funding for nonteaching positions (administrator, librarian, nurse, etc.) to ease the burden of declining resources.

Several superintendents responding to the questionnaire indicated a preference for adjusting the cost differentials of the current formula, or providing additional funds to districts by raising the unit value. One respondent suggested increasing the weight for secondary schools, while another desired a greater weight for special education students in C and D level programs.

As noted by one respondent, "if the formula is altered, it will take the form which is politically expedient to the greatest number of districts." From the above listing of suggestions for alteration of the formula, one can only conclude that there is little agreement among superintendents regarding the necessity for and the possible form of a declining enrollment adjustment.

Similar to the lack of consensus among New Mexico superintendents, a survey of the fifty states indicates a variety of formula "adjustments" implemented in the thirty-two states which recognize declining enrollment ("School finance at a fifth glance", Education Commission of the States, 1980). Included in about half of those states is a form of "save-harmless", guaranteeing the same or a percentage of the prior year's funding level or pupil enrollment level. The remaining states employ a form of "enrollment averaging", softening the impact of reduction by including enrollment from two or three years in determining the state allocation. Several states recognize problems of decline in only the most severely impacted districts by adjusting the state allocation if the rate of decline is greater than a given percentage.

Advantages and disadvantages of various methods of adjusting the funding formula must be recognized as policy makers explore the problems of declining enrollment. Save-harmless approaches, while causing minimal disruption of ongoing educational programs in school districts and minimizing conflict in the legislature, do not face the critical issues brought by enrollment decline. Neither the degree of enrollment decline relative to district size, nor the longevity of the decline, is confronted and recognized by a save-harmless provision.

> Being thereby generally unresponsive to such differential district needs, this simplest of all approaches introduces a high degree of both inefficiency and inequity in the distribution of declining enrollment funds. While, therefore, channeling some funds to districts whose need is relatively low, it introduces unnecessary total aid costs to the state while discouraging certain local economies which would be desirable at the district level (Goettel and Firestein, 1975, p. 212, emphasis added).

Unlike a 100 percent save-harmless, guaranteeing a percentage of pupil count (ADM) or allocation level cushions the degree of reduction in funds suffered by districts while forcing a concern for economy by school officials. Nevertheless, this approach also does not take differential district needs into account and fails to consider the longevity of the decline.

Another approach, averaging pupil enrollment over several years, has the advantage of encouraging more rational planning by local districts to confront the demands of decline. Attempts by states to vary the number of years and magnitude of weights to be included in an averaging approach to recognize decline in different size districts

address the problems of longevity and differing district needs which are not taken into account by save-harmless and percentage reduction approaches.

The National Association of State Boards of Education urges the adoption of only short-term provisions, while placing the emphasis on modifying other features of the funding formula:

> . . . in a period when almost all districts are declining to some extent, states should focus special funds to cover short run problems only in those states where declines are most severe, perhaps greater than the state average. . . . Rather than simply protect all districts through a hold harmless provision regardless of their relative need, states should annually change the factors used to calculate the general support formula. When the guarantee levels. . . are changed, the basic equalizing tendencies of the school support mechanism are permitted to operate. Indeed, perhaps the greatest shortcoming of placing state resources into hold harmless provisions rather than into fundamental changes in the general support formula is that state policy makers soon lose sight of the basic objectives to be served by the state's role in the joint funding partnership. (The imperative of leadership, 1976, pp. 11-12 emphasis added).

Policy makers should address this concern for equity in the New Mexico funding formula as possible adjustments for declining enrollment are examined. Several questions require attention: Does the funding of students in a declining district at a higher rate per student (due to save-harmless or enrollment averaging) than in a non-declining district run counter to the goal of "equalization" of the funding formula? On the other hand, is declining enrollment a "need" of districts to be recognized, similar to teacher experience and training or size adjustment, despite any negative effects on per student equalization?

The effect of declining enrollment on teacher salaries has implications for modification of the T&E Index[6] in the New Mexico formula. As certified personnel are reduced due to decline in student numbers, there is little opportunity to replace high cost staff members with beginning teachers. Thus, average salaries of teachers remaining in the district continue to rise, even if the salary schedule remains constant. In addition, the T&E factor for the district will increase, generating more funds for the district to offset the higher staff costs and shifting the increased instructional cost related to decline (due primarily to higher average salaries) to the state. To the degree that higher T&E generated revenue does not offset increases in salaries, school districts should seek modification of the T&E matrix of weights. To the degree that the state is absorbing increased costs due to higher T&E revenue than that needed to compensate teachers, districts should recognize this additional money is a form of "adjustment" for declining enrollment. In either case, policymakers should recognize the impact of decline on average salaries and the T&E index, and should determine if alteration of the factor is necessary to further compensate districts or to reduce state overpayment to school districts.

Similarly, shifting enrollment patterns during decline have implications for the cost differentials of the funding formula. In the early stages of decline in the 1970's with greatest impacts at elementary levels,

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[6]For further discussion of the Teacher Training and Experience Index in New Mexico school finance, see Garcia (in progress).

the continued growth in high school enrollment enabled districts to maintain programs due to the larger high school differential. More recently, in those districts facing rapid decline at the high school level as the "bulge" finally has moved through the system, fewer funds are generated by the formula. Further, the rate of revenue decline is accelerated due to the larger weight (1.25), as compared with the decline experienced at the elementary level with its smaller program weights. The impact of the loss of revenue on educational programs is potentially quite severe, particularly when such fixed costs as central administration, maintenance of facilities, utilities, and so forth do not decline at the same rate as enrollments and revenue. The need for an increase in the high school cost differential in declining districts to assist during such periods of inefficiency is apparent.

Furthermore, higher concentrations of pupils requiring specialized educational programs, particularly in the larger districts of the state, during times of enrollment decline are not recognized in the funding formula. "In those states without categorical aid programs to cover the extra costs of vocational, special and compensatory education, the heavier concentrations of pupils requiring these services that often accompany a severe enrollment decline place an even greater fiscal burden on the locality." (The imperative of leadership, 1976, p. 8). The validity of such an argument in New Mexico, and the applicability of altering special education cost differentials for declining enrollment districts, should be examined closely as formula adjustments are proposed. As discussed by Goettel and Firestein (1975), the time for

New Mexico to recognize the total costs of vocational and special education in all districts may have arrived:

> This may well be the cruelist paradox of all those associated with declining enrollment, for it clearly suggests that increasing proportions of high-cost pupils are greeted with decreasing amounts of state aid derived from district pupil count. Clearly, therefore, the most direct means of coping with this situation would be to fund fully on a district-to-district basis the excess costs associated with vocational and special education (p. 214).

Many superintendents expressed a desire to cooperate with other districts to maintain breadth of program offerings despite enrollment decline. Provision might be made for financial incentives to encourage and offset the associated costs of cooperation among districts. For example, thirty to fifty percent of the cost of offering specialized programs (e.g., vocational courses, languages, computer programming, special education, and so forth)on a cooperative basis might be assumed by the state in addition to the current funding obtained through the formula. Similarly, state financial and technical assistance might be provided for districts cooperating in administrative service areas (e.g., computerization of business functions, curriculum specialists).

Beyond financial assistance to enable maintenance and enrichment of programs within a district or to encourage cooperation among districts, the state might consider assuming a stronger role in the definition of "necessary" schools and districts, and the encouragement of consolidation of schools and districts not falling within such definitions. The state should examine further the implications and unintended consequences of encouraging inefficient, and in many cases ineffective, educational delivery

through additional revenue which might be provided to offset problems created by continuing decline in very small schools and districts.

This discussion of the responses of superintendents and insights from adjustments provided in other states' formulas, indicates only that further study is necessary before a particular format of formula adjustment or other financial incentive can be recommended to recognize the impact of declining enrollment.

Summary and Recommendations

In addition to its primary focus on responses of New Mexico school district superintendents to a survey regarding impacts of declining enrollments, this report includes many specific strategies to counter effects of decline offered by other school administrators and researchers. The applicability of these approaches to ease the stress of decline clearly depends upon conditions present in school districts, including shifts in pupil enrollment, versatility of personnel, condition of facilities and so forth.

Critical in the development of strategies to implement in a given district are careful planning before adopting measures affecting personnel, programs and facilities. With foresight, cooperative planning, innovative programming and creative leadership, declining enrollment might provide the motivation necessary for schools and communities to discover opportunities to improve educational offerings. Experiences relayed by other school personnel facing decline (see "Ways of dealing with enrollment decline", 1978) indicate that once the problem of declining enrollment is recognized

and planning has begun to ease the multiple pressures, schools and communities working cooperatively can indeed surmount the crisis.

The importance of joining forces with other community agencies and school districts to identify ways of "doing more with less" is stressed by many writers, including Bakalis (1981); "Responses such as cooperative ventures, sharing resources, a more equitable distribution of fewer dollars, and relating the educational effort more closely to the realities of the larger economy all imply a high degree of sophisticated planning" (p. 12).

Responses of superintendents regarding the improvement of educational quality during the past few years further lead to the conclusion that program modification and reduction forced by decline bring opportunities to school districts. It was expected that responses would indicate little difference between reports of improvement in quality in districts having to reduce personnel due to decline and in those not anticipating reduction of personnel. As indicated in Table 6, the superintendents reported "substantial improvement" in quality more frequently in districts which had already reduced numbers of personnel. Rather than respond more like their counterparts in districts anticipating reduction or not expecting to reduce personnel, these superintendents felt strongly that quality had improved despite reduction (a finding reinforced by the statistical test of significance as reported). Beyond the indication by many superintendents (see Table 7) that considerable improvement was noted in pupil-teacher ratio and space utilization, that some improvement was reported in student and teacher performance, and that program offerings were observed to remain the same or deteriorate somewhat, further inquiry is warranted to determine reasons for the reported overall improvement in quality of

of education. On the basis of the findings of this study, it cannot be stated with certainty that declining enrollment led directly to improved quality of education. Nevertheless, it appears that those districts forced to take actions to counter pressure brought by decline later report that improvements in education were realized.

Given the possibility of opportunities to improve education despite declining enrollments, school officials should engage in serious planning efforts. Opportunities are present to redefine school goals and program direction, to reassess priorities among various policy and program possibilities, to reallocate resources through budget processes which are consistent with those reordered priorities, and to involve school personnel and community leaders in critical decisions.

Conflicts between the maintenance of a "well-rounded" school program tailored to needs of all students, and the pressure to reduce offerings in the face of declining enrollment and revenue, are apparent in responses of superintendents. Adherence to traditional programming and use of facilities and personnel, consistent with management assumptions and approaches effective during the past era of growth, will not resolve those conflicts. Necessary in this period of enrollment decline are management skills based upon the reality of decline. Implications for the preparation and retraining of administrators and teachers, and for cooperation among school and community leaders, in directing attention to this reality are clear. More difficult, however, are the adoption of positive and cooperative attitudes among all involved, and the identification of

effective strategies for implementation, to move the schools toward improvement of educational quality in spite of decline.

One-half of the superintendents indicated that personnel reduction has already occurred in their school districts. Although the majority of the respondents agreed that natural attrition is the most preferable method of reduction (see Table 2), half of the districts currently have adopted policy on reduction in force. Policy should be consistent with guidelines discussed in this report, referring to Bender (1980), Fowler (1980), and Noland (1981). Strict reliance upon seniority for reduction should be avoided in policy to prevent the loss of excellent teachers while protecting others who are not meeting performance expectations. School officials should ensure through effective evaluation and assistance to teachers to improve performance (in accordance with SBE regulation 77-1) that all teachers in the district are meeting expectations for excellence; dismissal of unsatisfactory teachers rather than those with least seniority should result in overall improvement in educational quality.

In concert with reduction of ineffective personnel and staff, districts should explore other strategies discussed in this report to retrain, rejuvenate, and redirect personnel. While many superintendents responding to the survey indicated that the responsibility for retraining teachers should fall upon the individual, potential benefits to the district and students from having teachers with multiple certification areas should be considered. Minimal cost incentives for teachers to

obtain further training such as split teaching assignments and extended leaves of absence, should result not only in a better trained faculty, but also in an improved climate within schools.

In addition to encouraging retraining of teachers, suggestions for rejuvenating and redirecting personnel discussed previously should be addressed by school officials in planning for decline. Teachers should become involved in program decisions and curriculum development necessary for coping with decline. Further, school programs and teacher capabilities should be redirected to attract and serve nontraditional populations (e.g., dropouts, adults, pre-school children) in cooperation with other community agencies.

The many other specific strategies discussed in this report should provide guidance to school and community leaders confronting those pressures of enrollment decline identified by Mazzoni and Mueller (1980). Attention should be given to: (1) relieving fiscal stress through reducing and reallocating existing resources, and by cooperating with other educational and community agencies; (2) satisfying enlarged service demands through providing expanded educational programs for previously underserved clients; (3) enhancing community support through inclusion of other agencies in efforts to plan and implement strategies to confront decline; (4) relieving controversies regarding control over school policy by involving affected groups in decision making; and (5) easing defeatist attitudes by assisting teachersin retraining through effective inservice and incentives to obtain multiple certification.

While the primary burden for relieving pressure brought by decline is upon local school district officials, teachers and community members, various state agencies (e.g., New Mexico State Department of Education and Public School Finance Division) and Colleges of Education in the state should assume a greater role in providing leadership to schools and districts confronting decline. Assistance is necessary in conducting needs assessments, determining program redirection, developing budgets to reflect program needs, retraining teachers for future roles, and forming cooperative relationships among educational and other institutions.

Relative to proposed alteration of the New Mexico school funding formula to offset financial impacts of declining enrollment, further study is necessary to determine the most appropriate form of recognition. While demands of decline, particularly on small isolated districts, should be eased through funding adjustments, ramifications of various alternative formula provisions presented in this report require attention of analysts and policymakers. More than a simplistic save-harmless or enrollment averaging approach, the differing needs of districts during decline should be recognized through modification in the funding formula itself. While emergency allocations might be considered initially to ease the burden in districts suffering greatest rates of decline, formula components (cost differentials, T&E index, size adjustment) should be examined to identify possible adjustments to generate revenue for meeting student and staff needs during longer periods of enrollment decline.

In summary, the many challenges facing districts with declining enrollment provide opportunities for improving educational quality. The alternative strategies suggested in this report should provide a starting point for district personnel and community leaders in the formation of an overall plan to confront demands of decline. Through cooperative and innovative planning the pressures of decline will yield to an even stronger movement toward improvement of education in the coming decade.

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Impact of Declining Enrollment

The following questions are designed to assess the impact which declining enrollment has had or might have on public schools in New Mexico. We appreciate your responses to these questions and any comments you wish to make to provide further clarification.

Please return this questionnaire by October 30 to

Richard A. King
Department of Educational Administration
The University of New Mexico
Albuquerque, New Mexico 87131

1. Have you experienced a reduction in number of personnel due to declining enrollment in the district?

   _____Yes

   _____Not yet, but expect to in the next several years

   _____No, and don't expect to

2. Which of the following program areas have been reduced, or are likely to experience reduction in the next three years, due to declining enrollment?

   _____Bilingual education
   _____Enrichment courses
   _____Finearts courses (e.g. art, music)
   _____Non academic/vocational training
   _____Interscholastic sports
   _____Adult basic/continuing education programs
   _____Mainstreaming of special education students
   _____Extracurricular activities
   _____Other, please specify:_____

3. If you have or are likely to reduce the number of staff members, which positions have been or might be reduced in the next three years? (please check the appropriate level(s)

	Elementary	Mid or Jr.High	Secondary
Teachers:			
Classroom			
Special (art, music, physical education, etc.)			
Instructional Support:			
Principal/Asst. Principal			
Counselor			
Instructional aides			
Noncertified personnel (secretary, custodial, etc.)			
Other, specify: _____			
_____			

4. Have any plans or policies been developed to guide the school district if reduction in force becomes necessary?

_____Yes, written policy/guidelines have been developed (If possible, please enclose a copy of this document)

_____No, however, guidelines are being developed

_____No, guidelines are not available

5. If reduction in force has been or becomes necessary due to declining enrollment, which of the following methods were or would be likely to be used? (check as many as apply)

_____Natural attrition, e.g. retirement and persons leaving the system for other reasons

_____Incentives for early retirement

_____Termination of non-tenured teachers

_____Seniority based layoff including tenured faculty

_____Layoff of faculty on the basis or performance or competence

_____Encourage sabbatical or leave of absence

_____Other, specify: _____

6. What assistance has been or would be likely to be given to help teachers obtain retraining to enable them to teach in other certification areas? (check as many as apply)

_____ Pay tuition for college credit leading to multiple certification

_____ Counsel and advise teachers of possible options or subject areas needing teachers

_____ Inservice training programs to enable teachers to teach more effectively in less familiar subject areas

_____ Release time or leave of absence to obtain college credit

_____ Paid sabbatical to obtain retraining

_____ Other, specify:_____

7. What assistance has been or would be likely to be given to terminated teachers due to declining enrollment? (check as many as apply)

_____ Assistance in locating teaching positions out of the district
_____ Use of teachers as permanent substitutes
_____ Use of teachers as subject matter specialists
_____ Movement to administrative positions
_____ Assistance in finding non-teaching positions in the community

8. Which of the following are the best determinants of quality education in your school district? (Check only three)

_____Scores on standardized achievement tests
_____Percent of graduates entering college
_____Types of jobs obtained by graduates
_____Training of faculty (i.e., degrees held)
_____Length of tenure of faculty (i.e., total number of years in teaching)
_____Pupil-teacher ratio
_____Number of specialized programs in addition to state mandated curricula
_____Other, specify: _____

_____

9. During the past several years, the quality of education provided in your school district has

_____Improved substantially
_____Improved somewhat
_____Remained about the same
_____Deteriorated somewhat
_____Deteriorated substantially

10. To what degree has each of the following been affected by declining enrollment in the district?

	Enhanced Considerably	Enhanced Somewhat	No Change	Deteriorated Somewhat	Deteriorated Considerably
Student performance					
Teacher performance					
Pupil-teacher ratio					
Space utilization					
Program offerings					
Other, specify ___					
_____					

11. Should the New Mexico funding formula be altered to recognize additional costs of maintaining quality education in the face of declining enrollment?

_____Yes, this is a serious issue which should definitely be addressed in the formula
_____Possible alterations to the formula should be explored and implemented if such funding is warranted
_____No, the formula should not address declining enrollment
_____Unsure

12. The state should provide financial incentives to encourage cooperating districts to share services (e.g., film library, personnel for specialized subject areas, etc.).

_____Strongly agree _____Disagree

_____Agree _____Strongly disagree

_____Neutral

13. List several strategies which the district has or is likely to implement to counter impacts of declining enrollment:

1.

2.

3.

14. If the New Mexico funding formula were to be altered to address declining enrollment, in what form might such a "factor" be applied?

15. If the funding formula included such a factor and your district received additional revenue due to declining enrollment, what primary need would be addressed by the additional revenue generated (e.g. specific program or personnel need)?

Thank you for your responses.